

***8(a) Mentor-Protégé
Program***



SBA Mentor-Protégé Program

♦ *What Is the Purpose of the Mentor-Protégé Program?*

- ♦ To Encourage Approved Mentors to Provide Various Forms of Assistance to Eligible Participants.
- ♦ To Serve As an Additional Developmental Tool for 8(a) Participants.
- ♦ To Enhance the Capabilities of the Protégé and to Improve It's Ability to Successfully Compete for Contracts.

SBA Mentor-Protégé Program

- ◆ ***What Type of Assistance Will the Mentor Provide the Protégé?***
 - ◆ Technical and Management Assistance
 - ◆ Financial Assistance in the Form of Equity Investments or Loans
 - ◆ Sub-contractual Support
 - ◆ Assistance in Performing Prime Contracts Through Joint Venture (JV) Arrangements

SBA Mentor-Protégé Program

- ***What Are the Requirements to Become a Protégé?***

- To Qualify As a Protégé, an 8(a) Participant Must:
 - Be an 8(a) Participant That Is in the Program Developmental Stage, or
 - Be an 8(a) Participant That Has Never Received an 8(a) Contract, or Is Less Than Half the Size Standard Corresponding to Its Primary NAICS Code, and
 - Be an 8(a) Participant in Good Standing

SBA Mentor-Protégé Program

- ***What Are the Benefits of Participating in the Mentor-Protégé Program?***
 - Joint Venture Arrangements
 - Mentor Financing of the Protégé (up to 40% Equity Interest)
 - The Protégé Is Eligible for Other SBA Assistance As a Small Business (Including Financial)
 - No Determination of Affiliation or Control May Be Found Based on the Agreement or Any Assistance Provided Pursuant to the Agreement

SBA Mentor-Protégé Program

- ***Can a Large Business and Small Business Joint Venture on Projects Under the Mentor-Protégé Program (con't)?***
 - For Procurements Having a Revenue-based Size Standard, the Procurement Exceeds Half the Size Standard Corresponding to the NAICS Code Assigned to the Contract; or for a Procurement Having an Employee-based Size Standard, the Procurement Exceeds \$10M.

SBA Mentor-Protégé Program

- ***How Many Protégés Can a Mentor Have?***
 - Unless Approved by the Associate Administrator for Business Development (AA/BD), a Mentor Can Have Only One Protégé at a Time.
 - The AA/BD Will Authorize a Mentor to Have More Than One Protégé Only If It Demonstrates That the Additional Mentor-protégé Relationship(s) Will Not Adversely Affect the Development of Either Protégé.

SBA Mentor-Protégé Program

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 - For Procurements Having a Revenue-based Size Standard, the Procurement Exceeds Half the Size Standard Corresponding to the NAICS Code Assigned to the Contract; or for a Procurement Having an Employee-based Size Standard, the Procurement Exceeds \$10M.

SBA Mentor-Protégé Program

• ***What Must a Mentor-Protégé Agreement Include?***

- A Written Agreement
- An Assessment of the Protégé's Needs
- A Description of the Specific Assistance That the Mentor Will Provide to Address Those Needs
- At Least a One Year Term
- A Provision That Either Party Can Terminate With 30 Days Advance Notice to the Other Party and SBA

SBA Mentor-Protégé Program



• Who Approves a Mentor-Protégé Agreement and How Is It Approved?

- Associate Administrator for Business Development approves or disapproves the Agreement
- The Agreement is submitted to the Business Opportunity Specialist (BOS) in the Protégé's District Office
- District Office Recommends Approval or Disapproval and forwards the Agreement to Headquarters
- Associate administrator approves or disapproves the Agreement and returns it to the mentor and protégé with a copy to the BOS.

SBA Mentor-Protégé Program

- ***When Will SBA Disapprove a Mentor-Protégé Agreement?***
 - If the Assistance is Not Sufficient to Promote Any Real Gains to the Protégé
 - If the Agreement is Just a Mechanism to Enable a Non-8(a) Participant to Receive 8(a) Contracts

SBA Mentor-Protégé Program

- ***How Often Does SBA Evaluate the Mentor-Protégé Relationship?***
 - Annually, As Part of the Protégé's Business Plan Update
- ***Who Evaluates the Mentor-Protégé Relationship and What Is the Protégé's Responsibility?***
 - The District Office Reviews the Mentor-Protégé Relationship Report As Part of the Annual Review of the Protégé's Business Plan
 - The Protégé Must Describe All Federal Contracts Awarded to the Mentor-Protégé Relationship As Joint Ventures.
 - The Protégé Must Certify That the Mentor-Protégé Agreement Has Not Been Modified Without Prior SBA Approval.

SBA Mentor-Protégé Program

- ***If the Continuation of an Agreement Is Recommended What Is the Next Step?***
 - If Continuation of the Agreement Is Recommended, Then the ADD/BD Will Forward It's Recommendation to the District Director for Final Approval.
 - A copy of the agreement should be forwarded to Headquarters